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MATRIC NUMBER:18/LAW01/174

COURSE: Food production and health awareness

COURSE CODE:

ANSWERS

Business plan for the development of a 400 hectares Plantain plantation and establishment of 5000 packs of plantain chips factory at OKODIYA's Farm in delta state, Nigeria by IBIFAA Agricultural business.

Confidential clause: The undersigned reader acknowledges that information provided in this business plan is a confidential intellectual property; whereby the reader agrees not to open it to a third party without the express written permission of the promoters of the proposed business, it is acknowledged by the reader that information furnished in the business plan in all respect confidential in nature, other than information in public domain through other means and that any disclosure or use of same by the reader may cause serious damage to the promoters of the business

The document to be returned to the promoters of the business is meant to have;

Signature

Name

Date

1) Executive Summary/ Project Description: The business plan analysis's the practicability and economic viability of the advancement of 400 hectares of the plantain plantation and the establishment of a plantain chip factory in delta state by OGHENETEGA and OGHENEKARO farmers cooperative society limited. The farm produce about 4000 bunches of plantain produce, some of the produce will be sold a-crossed the state. The other plantain will be taking to the where it will be processed into plantain chips. And it will be processed into different packages and taken to various places where it can be sold for proper consumption. The proposed project will create more job opportunities hereby reducing poverty. The plantain that will be produced into plantain chips sourced through production, contract farmers in delta state thereby making purchases directly from traders, which will create market awareness , thereby improving the salaries of traders etc which adds hugely to the food security.

2) Technical Assistance: The company(plantain chips) shall make employ equipments which can help and also speed up production which include sieve, bowls, scale etc and also employment of staff to help facilitate production.

3) Sales and markets: under this we have market orientation; south west and south east, in Nigeria the market share: 5% niche market in the south west, south east Nigeria.

4) sponsorship: project is sponsored by Oghenetega a successful entrepreneur in delta state. Oghenetga is promoting the productivity of smallholder farmers in Delta state through a farmers cooperative limited.

5) Government support: the project goes and fits the objectives of the government. It creates economic opportunities and improves income for farmers and support food security objectives of government. The project will benefit from government intervention fund in

the agricultural sector. The project also benefits from favorable policy of no duty for agricultural import, restrictions of foreign exchange for all food products that will also widen market opportunity.

6) Estimated costs and revenue;

Fixed costs

a) Land clearing.

Activity	QTY	N
Land clearing	1 hectare	230,000 00
Crosscutting	1hectare	120,000 00
Rome ploughing	1hectare	300,000 00
Sub total 1hectare		300,000 00
Total 200 hectare		60,000,000000

b) Equipment

Name	QTY	USD	N	K
Knife	100	1,250	500,000 00	
Bowl.	200.	150.	60,000.	00
Sieve.	200.	200.	80,000.	00
Cooker.	15.	1,250.	500,000 00	
Frying pan.	50.	250.	1000,000 00	
Weighing scale.	100.	500.	200,000.	00
Nylon.	2000.	250.	100,000.	00
Plantain slicer	2.	750.	300,000.	Of
Sub total.	4,600.	1, 840,000 00		

C) Vehicle

Type.	QTY.	Model.	N.	K
Pick up truck.	2.	Helix	30,000.	00

D). Irrigation

Type.	QTY.	model.	USD.	N.	K
Hose reel.	1.	K.	28,186.	1,014,960.	00

E). Operation costs

Working capital.	N.	K
Ploughing/Ha.	10,000.	00
Harrowing/ Ha.	15,000.	00
Sub total	25,000,00	
For 200 Ha	5,000, 000	00
Mechanizations and storage	105,000	00
Input/ Ha.	91,82500	
For200Ha.	18,365,000	00
Area yield insurance	13, 500	00
Produce aggregation	5,500	00
Geo spatial service	4,700,000	00
Sub total	23,500	00
For 200Ha	4, 700,000	00
Total cost per hectare	245,325	00
Total cost for 200Ha	49,065,00	00
Loan principal and interest (cost per hectare)	267,404.	25
Total for 200Ha	53, 480,800	00
Irrigation cost for 400 Ha(excluding fixed cost)	24,018, 120	00
Revenue		
1st production cycle	N.	K
Revenue per hectare	435,000	00
For 200 Ha.	87,000,00	00
Net revenue.	27, 519,150	00
2nd production cycle.		
Net revenue.	21,510,090.	00
Annual net revenue (1sr and 2nd cycle).	49,029,240	00
Currency conversation rate	N 400.00 to 1USD	

10) funding mechanism : all sorts of funding the the business shall be handled by Oghenekaro who is the sole proprietor of the business.

11) technical feasibility: the production of the plantain chips is feasible in the sense that, in the process of making the plantain chips in order to make the process better the farmers with high experience will be employed, in the production of Plantain chips we have specialist in each sector of making the Plantain chips which form the management team, and also specialist who are in charge of the management team the weather and buildings in delta state are adequate for good farming and production of Plantain chips.

Conclusion: the project is feasible and viable . It is therefore good for funding.

